

---

**COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE  
of the  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**July 6, 2006**

**Minutes**

---

**THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE. AUDIO CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.**

The meeting was called to order by Chair Paul Bowlen, at 9:11 a.m. There was a quorum.

**Members Present**

Arguello, Daniel	SGVCOG
Barnes, Christine	City of La Palma
Bowlen, Paul ( <b>Chair</b> )	City of Cerritos
Coerper, Gil	City of Huntington Beach
Davert, Doug	City of Tustin
Dispenza, Mike	City of Palmdale
Edney, Jon A. ( <b>Vice Chair</b> )	City of El Centro/IVAG
Jasper, Timothy	City of Apple Valley
Krause, Mary Ann	City of Santa Paula
Lantz, Paula	City of Pomona
McCallon, Larry	City of Highland
McCullough, Kathryn	OCCOG
Norby, Chris	Orange County
Nowatka, Paul	City of Torrance
Núñez, John	SGVCOG
Poe, Marilyn	City of Los Alamitos
Richardson, Laura	City of Long Beach
Ring, Bob	OCCOG
Serrano, Joseph	Gateway Cities
White, Charles	WRCOG Subregion

**Members Not Present**

Daigle, Leslie	OCCOG
Fesmire, Melanie	CVAG
Green, Cathy	OCCOG
Hofmeyer, Daryl	City of Paramount
Kirby, Dan	SGVCOG
Loveridge, Ronald	City of Riverside
McSweeney, Susan	City of Westlake
Parks, Bernard	City of Los Angeles
Perry, Jan	City of Los Angeles
Ramirez, Rick	Gateway Cities

---

**COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE  
of the  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**July 6, 2006**

**Minutes**

---

Reyes, Ed	City of Los Angeles
Robertson, Deborah	City of Rialto
Ten, Mike	SGVCOG

**New Member**

Olhasso, Laura	Arroyo Verdugo Subregion
----------------	--------------------------

**1.0 CALL TO ORDER & PLEDGE OF ALLEGIANCE**

Chair Paul Bowlen called the meeting to order at 9:11 a.m. The Chair led the members in the Pledge of Allegiance. Chair Bowlen welcomed new member Councilmember Laura Olhasso of Arroyo Verdugo Subregion to the Committee.

**2.0 PUBLIC COMMENT PERIOD**

None.

**2.0 REVIEW AND PRIORITIZE AGENDA ITEMS**

None.

**4.0 CONSENT CALENDAR**

The following consent calendar items were approved without objection.

**4.1 Approval Item**

4.1.1 Approve Minutes of June 1, 2006

**4.2 Receive and File**

4.2.1 State Legislative Matrix

**5.0 ACTION ITEM**

**5.1 Regional Housing Needs Assessment (RHNA) Pilot Program**

Hasan Ikhrata, Director of Planning and Policy, presented the Regional Housing Needs Assessment Pilot Program which is based on extensive input and feedback received during public outreach and special workshop sessions. The key issues raised during the development of the program are presented: (1) The Appeals process, (2) Integrating the AB 2158 planning factors with the growth forecasting

---

**COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE  
of the  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**July 6, 2006**

---

**Minutes**

---

process. Mr. Ikhata stated the report also examines key issues that are not exclusive to the Pilot Program and are pervasive in the discussion of housing assessment and allocation: (3) The "Gap" period between RHNA cycles; and (4) Avoiding further concentration of lower income households.

Mr. Ikhata went on to point out the revised language for the RHNA Pilot Program appeals process as listed in the agenda package, page 27. He noted the Pilot Program now will utilize existing RHNA law for the appeals process with the change that only one appeal can occur. He then went on to discuss the Integration of AB 2158 planning factors in the Pilot and noted the Pilot allows two opportunities for the factors, one in the beginning the Growth Forecast process and one as a part of the appeals process. The final revision noted by Mr. Ikhata is the Trade and Transfer process. He reported it was decided to keep trade and transfer as in the existing statute, which allows trading among cities, and cities and counties regionwide, subject to SCAG approval.

Mr. Ikhata referenced a meeting held on June 29<sup>th</sup>, in Sacramento after the SCAG workshop, with CSAC, California League of Cities, Mark Stivers, State legislative staff, State HCD staff, Mark Pisano, SCAG Executive Director; Karen Tachiki, Chief Counsel; and Lynn Harris. Mr. Ikhata presented proposed language sent to SCAG from Mark Stivers, Consultant, Senate Transportation and Housing Committee, dated July 6, 2006. Mr. Ikhata said these points summarize and simplify the points Mr. Stivers feels SCAG is proposing to change the RHNA statute. They do not necessarily represent agreement by all parties at the meeting.

Mr. Ikhata concluded by saying the Pilot Program proposal links transportation, land use, and housing. In response to questions on funding Mr. Ikhata listed the options the Region Council and the Committee will face in how to fund the RHNA process: one is to go for State Appropriations; use general funds; charge member cities; and finally a combination of all of the above. He stated all cities would be charged if a fee is put in place.

A lengthy discussion ensued among Committee members:

- Councilmember Davert of the City of Tustin, stated that due to amount of materials distributed he feels that SCAG staff is rushing the decision on this process.

---

**COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE  
of the  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**July 6, 2006**

---

**Minutes**

---

- Councilmember Gil Coerper of Huntington Beach voiced his concern about the amount of time the Committee has already taken on this subject and made a motion to accept the SCAG staff proposal to approve the RHNA Pilot Program and pursue a legislative strategy to amend State Housing Law before the end of the 2006 legislative session. The motion was seconded by Councilmember McCallon.

Chair Bowlen called for discussion on the motion.

- Councilmember Kathryn McCullough, OCCOG, voiced concerns about the funding of the RHNA and the possible precedent set if SCAG and the cities give in to the State's mandate of doing RHNA without funding from the State. She then expressed concern about the transfer language; she felt that using the old language about transfers would not be productive because it was so convoluted.
- Mayor Richard Dixon, City of Lake Forest, asked to be recognized from the audience and spoke representing the Orange County Council of Government. Mayor Dixon distributed a document that made changes to the comments from Mark Stivers. He requested that the document he passed out be considered instead of the original one from Mark Stivers SCAG staff distributed. He requested the Committee establish priorities for each point in the document. Mr. Dixon then introduced Tracy Sato, Chairperson of the OCCOG Technical Advisory Committee and asked the Committee to hear her comments.
- Ms. Sato stated there was a general agreement with the pilot program as written but there are still questions such as how the 4% criteria and the use of the 2158 factors will work. She asked that the words "and other strategies" be taken out of the proposal and stated she felt the Pilot turns Compass into a mandatory program. She spoke at length on her understanding of how the RHNA allocation would occur using the 2158 factors and she questioned why SCAG had to approve the trade and transfer agreements.

Mr. Dixon then came back to the podium and told the Committee SCAG staff is now drafting additional revised language to his document. He suggested the Committee take as much time as needed to discuss this item.

---

**COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE**  
**of the**  
**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**July 6, 2006**

---

**Minutes**

---

At the request of the Chair, Mr. Ikhrata responded to the last statement by Ms. Sato, indicating, yes, that two cities should be allowed to trade and transfer but not if people commute longer and pollute more. Mobility and air quality are regional concerns and SCAG needs to ensure trades and transfers do not have a negative impact on the region.

- Councilmember Joseph Serrano, Gateway Cities, asked about the new Subcommittee that was supposed to be created to discuss policies of fair distribution. Mr. Ikhrata said there will be a subcommittee formed of CEHD Members as discussed in the staff report.
- Councilmember Laura Richardson, City of Long Beach, clarified that the “council of government” deciding trade and transfers and the Housing Need Allocation Plan is the SCAG Regional Council made up of 187 member cities and six counties. Councilmember Richardson expressed concern that representation has to be weighted properly. She asked further questions about consistency findings with regional transportation and air quality plans and Mr. Ikhrata stated the council of government would make a determination of whether that trade and transfer is consistent with the Regional Transportation Plan from a mobility and air quality standpoint. The Councilmember stated she did not agree with the trade and transfer provisions at all.

The Councilmember further stated there was no consideration in the staff report and draft language of built-out cities and their density. She urged stronger language for urban cities that already are at a certain housing capacity and for cities that have added 20% of their housing stock in the last five years.

Councilmember Richardson concluded her remarks by stating she is disappointed with the process. She further stated her displeasure of staff presentations that imply SCAG elected official support before the elected officials have voted. And she does not feel SCAG staff should be representing other organizations such as the League as being in support simply based on a meeting. She completed her remarks saying again she did not feel comfortable with the transfer process.

---

**COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE  
of the  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**July 6, 2006**

---

**Minutes**

---

- Councilmember McCullough voiced her concerns about credits for housing built between the RHNA's or the "Gap". She further expressed a desire to see language to assist small cities that are "builtout".
- Charles White of the WRCOG Subregion presented comments from the City of Moreno Valley saying that they are willing to consider this new approach to RHNA but they are concerned that this process is moving too fast. There are several good ideas such as tying RHNA to the RTP and the growth forecasting process as well as extending the planning horizon from five years to 20. Councilmember White expressed concern about the relationship between RHNA and the Compass program and the methodology for the fair share allocation or the minimum responsibility, as well as the scope and procedures for trades and transfers and the appeals process.

Mr. Ikhata explained why there is a need to approve the Pilot Program in a timely manner. By June of 2007 there is supposed to be a SCAG approved housing allocation plan submitted to the State. It will take additional time to do this under the existing statute and it is not possible to have it completed by June of 2007. The Pilot Program could have the RHNA ready by June 2007. It is important for cities to have the RHNA completed on time so they can update their Housing elements in a timely fashion.

- Mark Pisano, Executive Director, brought to the Committee's attention that staff had been acting as directed by the Committee and that is to get modifications to the RHNA statute. Mr. Pisano summarized the actions taken to date. He noted the Committee has previously agreed on principles we want to see in a reform package or as modifications to the RHNA process. Mr. Pisano reviewed the following elements of reform the Committee has previously stated were important:

- Did not want HCD to have unilateral approval over the growth numbers
- Use of the same growth forecast for regional plan including, and housing and air quality planning
- Expand the use of the 2158 factors into the deliberation of the growth forecast
- Appeals process and a

---

**COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE**  
**of the**  
**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**July 6, 2006**

---

**Minutes**

---

- Trade and transfer process

Mr. Pisano said these were the basic elements and he believes if the Pilot proposal is approved this job may be done in time to get local housing elements approved, maybe missing by 2 or 3 months; second, the Committee takes control over their destiny not HCD; third the Committee members will have the capacity to appeal, trade and transfer, everything the Committee wants. Mr. Pisano further stated that the only way to get a piece of legislation through is if there is agreement in this Committee today. He then repeated an earlier statement that at no time did he or any other member of the staff represent that the CEHD or the Regional Council had already approved this draft legislation.

Councilmember Richardson stated she disagreed with the Executive Director. Councilmember Richardson then made a substitute motion that the Committee go through each of the suggested language changes, answer the questions, if any, and come to a decision that everyone could support.

Much discussion ensued regarding the substitute motion. The Chair asked for a second to the motion. No second was forthcoming.

Councilmember Paula Lantz of Pomona, stated she would support the substitute motion if it was modified to include Mr. Pisano's remarks and if it addressed funding.

Councilmember Mary Ann Krause, City of Santa Paula, suggested amending the motion to send 2 documents to Regional Council for their approval.

Vice Chair Jon Edney expressed his concerns about delay of the decision in this matter. Vice Chair Edney stated that the pilot program has been worked on for some time and that it is time to make a decision and not delay. He said he would not support the substitute motion. He felt that even though this may not be the best option for the RHNA it is better the options toward what the Committee wants and it most certainly better than what is available.

Councilmember Coerper requested clarification of the substitute motion.

---

**COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE  
of the  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**July 6, 2006**

---

**Minutes**

---

The Chair recognized the maker of the substitute motion. Councilmember Richardson then re-stated her motion to continue this discussion on the specific issues that have been brought forward and hopefully rectify the issues. She stated she agreed with most of what has been submitted but there were more areas that needed more discussion such as the trade and transfer issue.

The Chair asked if there was a second on the substitute motion. There was none. Councilmember Marilyn Poe, Los Alamitos, suggested the Committee take a short break before continuing with the discussion.

Mayor Dixon came to the podium and made a final plea for the Committee to approve another document he was having passed out to members as he was speaking.

Councilmember McCullough made a motion to table the original motion and the substitute motion until after the break; it was seconded by Councilmember Serrano. Motion passed.

Meeting resumed at 11:05 a.m.

The Chair reopened the meeting and suggested the Committee review the staff recommendations and material text in the agenda package on page 27. Mr. Ikhrata was asked to comment on the latest document passed out by OCCOG just before the break.

Mr. Ikhrata answered that he had a couple of issues with the new language, one (4) says you can appeal and you can appeal forever, which staff does recommend; second, (5) it was totally deleted which is the whole issue of linking transportation, land use to housing, if taken out then the premise of the new approach is gone.

Several members of the Committee expressed displeasure at these late arriving changes and last minute suggestions.

- Colin Lennard, SCAG Legal Counsel, commented on the Committee process to date noting there was no motion before the Committee. Mr.



---

**COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE  
of the  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**July 6, 2006**

---

**Minutes**

---

Lennard suggested the Committee consider a motion deferring actual language to be determined later.

Members McCallon and Richardson both said “no” to the attorney’s suggestion. Councilmember Richardson stated she would not vote on language she couldn’t review. The Committee concurred.

Additional general discussion about the RHNA Pilot Program ensued between the Committee members. The Chair asked if anyone had additional comments or if anyone wished to make a motion.

Councilmember Richardson made a motion to continue discussion on the RHNA Pilot Program; it was seconded by Councilmember White. The motion failed by a vote of 7 in favor, 12 opposed, 2 abstained.

Supervisor Chris Norby, Orange County, stated he would be voting “no” on the Pilot Program.

Councilmember Gil Coerper commended staff on the good work that had been done on RHNA and then made a motion to approved the RHNA Pilot Program and pursue a legislative strategy to amend State Housing Law before the end of the 2006 legislative session. It was seconded by Councilmember McCallon.

Councilmember Lantz suggested an amendment to the motion to include the written language (with no changes) passed out at the beginning of the meeting identified as the original points sent to SCAG from Mark Stivers dated July 6, 2006. Her amendment incorporates this document as part of the proposed legal changes to the state law and further clarifies that pages 27-29 in the agenda package, the draft RHNA Pilot Program, are the means to implement these changes. The maker and second to the original motion accepted Ms. Lantz’ amendment.

The motion passed with a vote of 14 yes, 4 opposed, 3 abstained.

**6.0 INFORMATION ITEMS**  
None.

**7.0 STAFF REPORT**

---

**COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE  
of the  
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

**July 6, 2006**

**Minutes**

---

Lynn Harris reported the orientation packet for new members has been completed and that copies will be presented to the Committee in September.

**8.0 CHAIR'S REPORT**

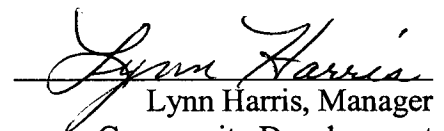
None.

**9.0 FUTURE AGENDA ITEMS**

**10.0 ADJOURNMENT**

The Chair called for a motion to adjourn motion carried, the meeting adjourned at 11:32 a.m. The next CEHD meeting will be held September 14, at the SCAG office.

Action Minutes Approved by:

  
Lynn Harris, Manager  
Community Development